GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:2438
ANSWERED ON:16.03.2017
New Mineral Exploration Policy
Dhruvanarayana Shri Rangaswamy

Will the Minister of MINES be pleased to state:

(a) the details of the New Mineral Exploration Policy and the number of blocks to be allotted to the private and Government sector thereunder, separately;
(b) whether a time-bound target has been fixed for the exploration, if so, the details thereof;
(c) the reasons behind poor progress of the country on exploration of minerals including copper bauxite and iron ore despite having huge reserves of them;
(d) the manner in which exploration rights are to be awarded to different players; and
(e) whether a reconnaissance permit is allowed to be converted into a prospective licence and mining lease under the new Mines and Minerals (Development and Regulations) (MMDR) Amendment Act, 2015, if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINES, POWER, COAL AND NEW & RENEWABLE ENERGY (SHRI PIYUSH GOYAL)

(a) & (b): The National Mineral Exploration Policy (NMEP) has been approved by the Government and is available at the website of Ministry of Mines (http://mines.nic.in/writereaddata/Content/NMEP.pdf). The policy, inter-alia, proposes:

1. The Government will create baseline geoscientific data as a public good and will make available pre-competitive baseline geoscientific data of the highest standards free of charge in public domain.
2. The Government will carry out aero-geophysical survey of the country in a mission mode initially in the potential areas of around 8 lakh sq. kms and subsequently in the rest of the areas.
3. The Government will assist State Governments in allotment of identified exploration blocks through competitive bidding for exploration by private sector entities on an incentive scheme.

Geological Survey of India [GSI], an attached office of Ministry of Mines, has identified 100 potential mineral blocks for exploration. Out of these 100 blocks, 30 blocks each have been allotted to GSI and Mineral Exploration Corporation Limited [MECL], 19 blocks have been allotted to Central and State Public Sector Undertakings [PSUs] and the balance 21 blocks have been earmarked for exploration by private exploration agencies through incentive scheme.

GSI and MECL have initiated survey work in the allotted mineral blocks and these agencies will complete work by September 2017 and December 2017 respectively. The Central and State PSUs have initiated work in 7 blocks to be completed by March 2018. The National Mineral Exploration Trust has initiated work for empanelling private exploration entities who will undertake exploration in 21 mineral blocks earmarked for private exploration.

(c): Government agencies including PSUs have been carrying out exploration of minerals including copper, bauxite and iron ore in the country. However, the private investment in exploration has not been very encouraging.

(d) & (e): Under the Mines and Minerals (Development and Regulations) (MMDR) Amendment Act 2015, Non-exclusive Reconnaissance Permit [NERP] can be granted for exploration. However, a holder of NERP shall not be entitled to make any claim for the grant of any Prospecting Licence−cum-Mining Lease [PL-cum-ML] or a Mining Lease [ML].

However, where before the commencement the MMDR Amendment Act 2015, a Reconnaissance Permit [RP] has been granted in respect of any land for any mineral, the permit holder shall have a right for obtaining a PL followed by a ML in respect of that mineral in that land if the State Government is satisfied that the permit holder;-
(i) has undertaken reconnaissance operations to establish the existence of minerals contents in such land in accordance with such parameters as may be prescribed by the Central Government;
(ii) has not committed any breach of the terms and conditions of the RP;
(iii) has not become ineligible under the provisions of this Act; and
(iv) has not failed to apply for grant of PL within a period of three months after the expiry of RP or within such further period not exceeding six months as may be extended by the State Government.

* * *